

Town Council Meeting: 08 December 2008



Town of Garrett Park
PO Box 84
4600 Waverly Avenue
Garrett Park, MD 20896

Regular Meeting of Town Council
Garrett Park Town Hall
10814 Kenilworth Avenue
Garrett Park, MD 20896

MINUTES

Meeting Call to Order: Mayor Keller called the meeting to order at 8:05 PM. Present were Councilmembers Berry, Hansen, Irons, Mandel, and Wegner. Also present were Administrator Pratt, Jennifer Beasley of the *Gazette*, Mary Moyer of the *Bugle*, Rich Folkers, and a number of residents.

Approval of Agenda: Mayor Keller noted that the Council would discuss but not set a date for the referendum on Ordinance 2008-05, and that consideration of the introduction of Ordinance 2008-09 would be withdrawn. The Mayor asked for a motion to adopt the agenda as so modified.

Councilmember Hansen **MOVED**

That the agenda be adopted as described by the Mayor. Councilmember Wegner seconded the motion, which **PASSED** unanimously.

Public Hearing:

- Variance (Continued from 09/08/08 Meeting): 4711 Oxford St. – Colella: Relief from Section 402(b)(1) Setback from Street – Administrator Pratt explained that he had spoken with Mr. Colella about the need to close the files on this application, and that once the issues regarding front porches were resolved and Mr. Colella could present full documentation, he could submit a new application. Mr. Pratt reported that Mr. Colella agreed that this was appropriate. After brief discussion, Councilmember Irons

MOVED

That application 042108-VA01 for a variance at 4711 Oxford St. be denied without prejudice. Councilmember Wegner seconded the motion. Mayor Keller noted that “without prejudice” meant that the act of denying this application for a variance in no way set a precedent for consideration of any future application for the property in question. The motion was seconded by Councilmember Wegner. Councilmember Hansen asked if Mr. Colella would be charged another fee for a new application and Mr. Pratt said that he would not be charged. The Mayor called for a vote and the motion was **PASSED** unanimously.

- Demolition Permit Application: 10707 Kenilworth Ave. – Gibbons – Councilmember Irons asked Mr. Gibbons, the applicant, to discuss the request. Mr. Gibbons reported that after an extensive review of the structure in response to the community’s interest in the building, the home

of former Mayor George Payne and his family, he had determined that it was impossible to preserve even part of the structure. Mr. Gibbons also reported that the re-platting process was well underway. Councilmember Wegner **MOVED**

That demolition permit application 102708-DMA01 be approved and that the demolition permit be issued upon receipt by the Town of a signed plat of the new lot. Councilmember Irons asked about deconstruction of the building and Mr. Gibbons stated that he was in discussions with two companies about deconstructing the building and recycling as much of it as possible. Mayor Keller called for the vote on the motion, which **PASSED** unanimously.

Mayor's Report:

- Mayor Keller reported that he was attending a meeting at the Washington Suburban Sanitary Commission (WSSC) on Tuesday, December 9th, regarding better coordination of WSSC construction projects with municipalities.
- The Mayor also reiterated certain information from November 4 discussions with representatives of the Montgomery County Parks Department (MCPD) regarding the Garrett Park Community Center (see Minutes of November 10, 2008 Council meeting) concerning a land swap that the Parks Department stated would be necessary if the Town were to take over ownership of the building. Mayor Keller noted that the land that MCPD proposed the Town swap was the Town-owned portion of Garrett-Waverly Park that comprises a lot that extends from approximately the middle of the basketball court to the edge of the drive/roadway in front of the Penn Place Pedestrian Plaza and from Waverly Avenue to the edge of Porcupine Woods. The Mayor noted particularly his concern that the neighborhood nature of the park not be jeopardized by transfer of ownership, and that a promised proposal from MCPD, setting forth the details of a swap, was still forthcoming.
- Mayor Keller reported that he and Councilmembers Irons and Wegner had attended the Maryland Municipal League (MML) Montgomery Chapter's annual legislative diner and had the opportunity to meet with the Town's Annapolis delegation.

Councilmember's Reports on Areas of Responsibility:

- Councilmember Hansen reported that David Gregg's Tree Service was low bidder for winter tree removals and that the contract would be awarded the next day.
- Councilmember Irons reported that Gene Brantly had agreed to chair the Land Use Task Force, that he was working to set up an initial meeting in mid to late January, and asked that membership be held open until early January to ensure that residents had a chance to sign up. Councilmember Irons noted that the Council needed to develop a charge to the Task Force at the January meeting.

Approval of Minutes:

- 01/23/2008 Special Council Meeting: Councilmember Berry **MOVED**
That the minutes of the 23 January 2008 Special Council Meeting be approved as distributed. The motion was seconded by Councilmember Irons and was **PASSED** unanimously.
- 09/08/2008 Regular Council Meeting: Councilmember Wegner **MOVED**
That the minutes of the 08 September 2008 Regular Council Meeting be approved as distributed. The motion was seconded by Councilmember Mandel and was **PASSED** unanimously.
- 10/13/2008 Regular Council Meeting: Councilmember Wegner **MOVED**
That the minutes of the 13 September 2008 Special Council Meeting be approved as distributed. The motion was seconded by Councilmember Irons and was **PASSED** unanimously.
- 11/03/2008 Special Council Meeting: Councilmember Berry **MOVED**
That the minutes of the 03 November 2008 Special Council Meeting be approved as distributed. The motion was seconded by Councilmember Wegner and was **PASSED** unanimously.
- 11/10/2008 Regular Council Meeting: Councilmember Wegner **MOVED**
That the minutes of the 10 November 2008 Special Council Meeting be approved as distributed. The motion was seconded by Councilmember Irons and was **PASSED** unanimously.

Action/Discussion:

- Ordinance 2008-05 Repeal Referendum Date - Mayor Keller stated that as noted earlier the Council will not be setting a date for the referendum tonight, that the Charter set the outer time limit as the next regular Town Election in May, that the Citizens Association had agreed to hold a meeting on the referendum, and that until the Citizens Association meeting date was set the Council would not establish a date for the referendum. He further noted that, given these considerations plus the upcoming holidays and the Town Dinner, early to mid February was probably the earliest time that a referendum would be set.
- Introduction of Ordinance 2008-08: Amending the FY 2009 Budget - Mayor Keller noted that the Town typically revisits the current fiscal year budget in January, but due to the extraordinary expenditures in the Professional Services accounts, significant amendment to the budget was necessary earlier. Mayor Keller then reviewed the budget narrative with the Council and, after a brief discussion, Councilmember Hansen **MOVED**
That Ordinance 2008-08 Amending the FY 2009 Operating and Capital Budgets be introduced. (The Ordinance is attached to these minutes) There was extended discussion. Councilmember Wegner seconded the motion, which **PASSED** unanimously.
- Mayor Keller noted that consideration of Ordinance 2008-08, which concerned a liberalized open space requirement for main buildings where

the diminution in open space was due solely to an open front porch, had been removed from the agenda owing to the lack of resolution of settlement talks with respect to *Martin v. Garrett Park*.

Town Administrator Report:

- Monthly Financial Report – Administrator Pratt reviewed the monthly financial report with the Council

Adjournment: The meeting adjourned at 9:30 PM.

Respectfully submitted

[TOWN SEAL]

Edwin Pratt, Jr.

Edwin Pratt, Jr., Clerk-Treasurer



Town of Garrett Park

Amending FY 2009 Operating & Capital Budgets

Ordinance 2008-08

December 8, 2008

Draft Ordinance 2008-08 FY 2009 Budget Amendment

Revenues

1000 - Taxes & Fees: Property tax collections are on track. The initial projection for FY 2009 income taxes of \$200,000 represents a 30% reduction from the \$301,137 received in FY 2008. Collections through November indicate that this is the likely end-of-year total.

2000 - Intergovernmental Revenues: The original FY 2009 \$40,000 projection for Highway User Fund receipts appears a bit pessimistic in the light of actual receipt to date and with the declining price of gasoline, so a modest increase to \$45,000 seems reasonable. When the initial FY 2009 budget was drafted, the Town had \$36,000 available to it in its Program Open Space account to apply to the Cambria Park improvements that are now nearly complete. That account has increased to \$55,750, so we have a nice increase of \$19,750. This state grant of \$55,750 is a one-time event.

3000 - Service Charges: No changes expected in these line items.

5000- Miscellaneous Revenues: A reduction in investment earnings is needed as our invested funds balance will be significantly lower than anticipated due to the cost of the lawsuit. Also, interest rates are falling, so a reduction of \$2,500 seems prudent. The modest increase in Rents and Concessions reflects a more careful analysis of the additional rents charged to Penn Place tenants to defray expenses.

Reserves & Contingencies

Operating Reserve: This amended budget reverses the original budget's transfer of \$57,000 to the Operating Reserve. This will leave the reserve's balance of \$125,000 unchanged from the end of FY 2008.

Operating Contingency: The amended budget proposes to return the Operating Contingency to its original level of \$30,000. Recent transfers had reduced it to \$10,000, which is not a reasonable amount for a budget of this size in a time of such uncertainty.

Capital Contingency: This is reduced to Zero. There are increases in the Construction: Facilities line to accommodate exterior repairs and new flooring in the street-level bathrooms at Penn Place. Also, the new carpets at the Town Hall are funded through this line. Needless to say, the Town's Capital budget has shrunk enormously from FY 2008 - partially due to the moving of the FY 2009 road rehabilitation work into FY 2008, but the impact of the Martin v. Garrett Park lawsuit forces the abandonment of the Capital Improvement Program for the foreseeable future. There is little hope for any significant capital expenditure in FY 2010.

Expenditures

10000 Personnel: A reduction of \$2,500 in the Benefits line reflects a reduced funding of the Town's self-insured "First Dollar" fund. There is currently over \$20,000 in that account, which is enough to cover any possible withdrawals through the end of the fiscal year.

11000 Town Administration: Herein lies the heart of our problem: legal fees resulting from the Martin v. Garrett Park lawsuit, a sub-line of Professional Fees, which are projected to drive that account to nearly one-quarter of a million dollars spent in FY 2008 and FY 2009, close to 25% of the total annual budget, and the equivalent of what the Town had hoped to spend on the Capital Improvement Plan on a year-to-year average. We have spent or been billed \$147,135 in Professional Services to date, of which Legal Fees are \$136,842. Additional non-legal fees estimated until year's end are \$8,500, leaving a balance of \$68,365 in Professional Fees to cover remaining legal fees. As big as the \$106,650 increase is, it may not be enough.

12000 Sponsorships, Etc.: Reductions of \$450 in the Town's support of the Citizens Association and the elimination of support (\$300) for the County's MLK Day Committee are proposed.

13000 Buildings & Grounds: A reduction in expenditures for planting of annuals around Penn Place and Town Hall, the correction of over-estimates for electricity and gas, and the shifting of repairs to the Capital Budget yield a reduction of \$10,850 in this account.

14000 Town Services: Reductions throughout the sub lines: funding for minimal sidewalk and street repairs, cutting back to only one street sweeping, a correction of the WSSC hydrant water meter fee, and reductions in Parks maintenance and improvement expenses lead to a reduction of \$10,800 in this account.

16000 Equipment Repair & Maintenance: An increase is needed in this account - it was necessary to put a new transmission in the Chevrolet pickup. While over 20 years old, this truck continues to provide valuable service and is well worth keeping in operating condition.

17000 Publication Expenses: This is the account for the Town's website. We entered into a maintenance contract with the website's designer, and need an additional \$250.

18000 Conferences, Etc.: This line is proposed to be reduced by \$7,900 by not supporting attendance by Town officials at the 2009 MML Annual Conference in June.

19000 Operating Contingency: As indicated above, this line was reduced to \$10,000 by transfers to Professional Fees at the November Council meeting, and is restored to its original \$30,000 in this budget ordinance.

23000 Transfers to Capital: This transfer is reduced \$16,150 to \$43,850, leaving the Capital Contingency at Zero.

25000 Transfers to Operating Reserve: This transfer is reduced \$57,000 to Zero, leaving the Operating Reserve at \$125,000.

Total Expenditures: The total budget is increased by \$22,975.

Account	REVENUES	FY 2009 11/11/2008	FY 2009 Ordinance 2008-08	\$ Change	% Change
1000	<u>Taxes & Fees</u>	\$650,300	<u>\$649,975</u>	<u>(\$325)</u>	<u>-0.0%</u>
1100	Local Property Taxes	\$435,800	\$435,800	\$0	0.0%
1200	Local Income Taxes	\$200,000	\$200,000	\$0	0.0%
1400	Licenses and Permits	\$14,500	\$14,175	(\$325)	-2.2%
2000	<u>Intergovernmental Revenues</u>	\$126,850	<u>\$151,650</u>	<u>\$24,800</u>	<u>19.6%</u>
2200	From the State of MD	\$76,000	\$100,750	\$24,750	32.6%
2220	Highway User Trust Fund	\$40,000	\$45,000	\$5,000	12.5%
2240	Program Open Space	\$36,000	\$55,750	\$19,750	
2300	From the County (Revenue Sharing, Grants)	\$50,850	\$50,900	\$50	0.1%
3000	<u>Service Charges</u>	\$142,500	<u>\$142,500</u>	<u>\$0</u>	<u>0.0%</u>
3100	General Government Charges	\$500	\$500	\$0	0.0%
3200	Municipal Refuse Fees	\$142,000	\$142,000	\$0	0.0%
5000	<u>Miscellaneous Revenues</u>	\$141,200	<u>\$139,700</u>	<u>(\$1,500)</u>	<u>-1.1%</u>
5100	Investment Earnings	\$8,700	\$6,200	(\$2,500)	-28.7%
5200	Rents and Concessions	\$112,400	\$113,400	\$1,000	0.9%
5300	Contributions and Donations	\$20,000	\$20,000	\$0	0.0%
5500	Sale of Property	\$100	\$100	\$0	0.0%
	Operating Revenues:	\$1,060,850	<u>\$1,083,825</u>	<u>\$22,975</u>	<u>2.2%</u>
9000	<u>Carryover from Prior Year</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
	Total Revenues:	\$1,060,850	<u>\$1,083,825</u>	<u>\$22,975</u>	<u>2.2%</u>

NOTE:	Town Reserves:	<u>For FY 2008</u>	<u>For FY 2009</u>	<u>% of FY 09</u>
	Operating Reserve	\$125,000	\$125,000	<u>Budget</u> 11.5%

These funds are held in the Town's investment account (Montgomery County Pooled Investment Fund), and may be drawn upon by ordinance only

Self-Insured Medical Insurance Fund: \$20,000 \$20,000

These funds are held in an external escrow account and are used to pay full-time employee medical expenses, up to \$5,000/year/employee (the Blue Cross insurance policy deductible). As it has not been necessary to spend the full deductible each year, the surplus has been first used to build a reserve, and then to reduce premium payments. These funds are available for non-medical expenses, if needed, by vote of the Council to transfer some or all to other accounts.

Total Reserves Available:	\$145,000	13.4%
Total Reserves & Contingencies Available in FY 2009:	\$175,000	16.1%

BLUE Unchanged from prior budget

RED (Decrease) in revenue, Increase in expense

Green Increase in revenue, (Decrease) in expense

Account	EXPENDITURE	FY 2009 11/11/2008	FY 2009 Ord. 2008-08	\$ Change	% of Change
<u>10000</u>	<u>Personnel</u>	<u>\$339,100</u>	<u>\$336,600</u>	<u>(\$2,500)</u>	<u>-0.7%</u>
10100	Salaries	\$233,500	\$233,500	\$0	0.0%
10200	Overtime	\$3,200	\$3,200	\$0	0.0%
10300	Benefits	\$76,000	\$73,500	(\$2,500)	-3.3%
10400	Payroll Taxes, Etc.	\$26,400	\$26,400	\$0	0.0%
<u>11000</u>	<u>Town Administration</u>	<u>\$163,750</u>	<u>\$270,175</u>	<u>\$106,425</u>	<u>65.0%</u>
11100	Elected & Appointed Officials	\$3,000	\$2,700	(\$300)	-10.0%
11200	Elections	\$1,100	\$1,500	\$400	36.4%
11300	Archives & Public Records	\$20,500	\$20,675	\$175	0.9%
11400	General Administrative Expense	\$19,000	\$19,000	\$0	0.0%
11700	Professional Services	\$108,850	\$215,500	\$106,650	98.0%
11800	Insurance	\$10,300	\$9,800	(\$500)	-4.9%
11900	Town Administration: Other	\$1,000	\$1,000	\$0	0.0%
<u>12000</u>	<u>Sponsorships, Subs. & Dues</u>	<u>\$4,550</u>	<u>\$3,700</u>	<u>(\$850)</u>	<u>-18.7%</u>
12100	Membership Dues	\$3,000	\$3,000	\$0	0.0%
12200	Sponsorships	\$1,250	\$500	(\$750)	-60.0%
12300	Subscriptions	\$300	\$200	(\$100)	-33.3%
<u>13000</u>	<u>Buildings & Grounds</u>	<u>\$94,400</u>	<u>\$83,550</u>	<u>(\$10,850)</u>	<u>-11.5%</u>
13100	Penn Place	\$80,100	\$69,400	(\$10,700)	-13.4%
13200	Town Hall	\$13,850	\$13,700	(\$150)	-1.1%
13300	Maintenance Dept. Building	\$450	\$450	\$0	0.0%
<u>14000</u>	<u>Town Services</u>	<u>\$243,250</u>	<u>\$232,450</u>	<u>(\$10,800)</u>	<u>-4.4%</u>
14100	Roads & Sidewalks	\$68,125	\$61,575	(\$6,550)	-9.6%
14200	Stormwater Drainage Maintenance	\$1,000	\$500	(\$500)	-50.0%
14300	Municipal Refuse Removal	\$142,000	\$142,000	\$0	0.0%
14400	Arboretum*	\$21,600	\$21,600	\$0	0.0%
14500	Fees	\$4,400	\$2,900	(\$1,500)	-34.1%
14600	Parks	\$6,125	\$3,875	(\$2,250)	-36.7%
<u>16000</u>	<u>Equipment Repair & Maintenance</u>	<u>\$12,500</u>	<u>\$14,500</u>	<u>\$2,000</u>	<u>16.0%</u>
<u>17000</u>	<u>Publication Expenses</u>	<u>\$1,000</u>	<u>\$1,250</u>	<u>\$250</u>	
<u>18000</u>	<u>Conferences Conventions Meetings</u>	<u>\$9,000</u>	<u>\$1,100</u>	<u>(\$7,900)</u>	<u>-87.8%</u>

Account	EXPENDITURE	FY 2009 11/11/2008	FY 2009 Ord. 2008-08	\$\$ Change	% Change
<u>19000</u>	<u>Operating Contingency</u>	<u>\$10,000</u>	<u>\$30,000</u>	<u>\$20,000</u>	<u>200.0%</u>
<u>20000</u>	<u>Debt Service</u>	<u>\$60,600</u>	<u>\$60,600</u>	<u>\$0</u>	<u>0.0%</u>
<u>21000</u>	<u>Taxes & Bad Debt**</u>	<u>\$5,700</u>	<u>\$6,050</u>	<u>\$350</u>	<u>6.1%</u>
	Total Operating Expenditures:	\$943,850	<u>\$1,039,975</u>	<u>\$96,125</u>	<u>10.2%</u>
<u>23000</u>	<u>Transfer to Capital</u>	<u>\$60,000</u>	<u>\$43,850</u>	<u>(\$16,150)</u>	<u>-26.9%</u>
<u>25000</u>	<u>Transfer to Operating Reserve</u>	<u>\$57,000</u>	<u>\$0</u>	<u>(\$57,000)</u>	
	Total Expenditures:	\$1,060,850	<u>\$1,083,825</u>	<u>\$22,975</u>	<u>2.2%</u>
	Net to Receipts:	\$0	\$0		

NOTES: *Arboretum: \$5,000 in tree planting expense transferred to Capital (See Capital Improvement Plan)

** Increase in Taxes & Debt reflects the breaking out of energy taxes on electricity and gas. It does not represent an increased expenditure. All energy line item estimates are adjusted to reflect this.

Capital Program

FY 2009

	Prior Years 6/30/08	FY 2009 Ord. 2008-08	Total 01/30/09
CAPITAL PROGRAM	\$36,750	\$43,850	\$75,600
Capital Purchases	\$0	\$4,600	\$4,600
36-Inch Walk-behind Mower (FY09)		\$3,500	\$3,500
Vehicles: Pickup Chipper Box (FY09)		\$1,100	\$1,100
Capital Construction	\$36,750	\$34,250	\$71,000
Cambria Park POS (FY07)	\$16,000	\$0	\$16,000
North Kenilworth Drain Repair (FY08).	\$8,000	\$0	\$8,000
Penn Place Bathrooms (FY09)	\$0	\$3,500	\$3,500
Penn Place Exterior Repairs (FY09)	\$0	\$15,000	\$15,000
Town Hall (CIP, p17) (FY09)		\$3,500	\$3,500
Street Rehabilitation (FY08&FY09)	\$12,750	\$7,250	\$20,000
Yeandle Park Fund (FY09)	\$0	\$5,000	\$5,000
Arboretum - Capital Expense (CIP, p17) (FY09)		\$5,000	\$5,000
Capital Planning	\$0	\$0	\$0
Capital Contingency	\$0	\$0	\$0

Capital Budget

FY 2009

	Prior Years 6/30/08	FY 2009 Ord. 2008-08	Total 01/30/09
<u>23000 - CAPITAL BUDGET</u>	<u>\$36,750</u>	<u>\$43,850</u>	<u>\$75,600</u>
23100 - Capital Purchases	\$0	\$4,600	\$4,600
23200 - Capital Construction	\$36,750	\$34,250	\$71,000
23210 - Construction: Facilities	\$0	\$22,000	\$22,000
23220 - Construction: Streets & Curbs	\$12,750	\$7,250	\$20,000
23230 - Construction: Utilities	\$0	\$0	\$0
23240 - Construction: Sidewalks	\$0	\$0	\$0
23250 - Construction: Storm Drains	\$8,000	\$0	\$8,000
23260 - Construction: Parks & Recreation	\$16,000	\$5,000	\$21,000
23290 - Construction: Other	\$0	\$0	\$0
23300 - Arboretum-Capital Expense		\$5,000	\$5,000
23800 - Capital Planning Expense	\$0	\$0	\$0
23900 - Capital Budget Contingency	\$0	\$0	\$0